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FISCAL IMPACT STATEMENT

LS 7735

BILL NUMBER: HB 1797

NOTE PREPARED: Jan 30, 2007

BILL AMENDED:

SUBJECT: Academic Achievement.

FIRST AUTHOR: Rep. Porter

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

Academic Achievement Assistance Program- The bill requires the Department of Education to establish and administer an academic achievement assistance program.

Assessments and Academic Progress Reports- The bill requires the assessment of students in the early grades and the development of an academic achievement progress report for each student assessed.

Academic Achievement Progress Plan- The bill provides for the establishment of an academic achievement progress plan for each student who does not meet certain educational standards.

Continuous School Improvement and Achievement Plan- The bill requires each school to revise its strategic and continuous school improvement and achievement plan.

Academic Progress Assistance Plan- The bill requires each school to implement an academic progress assistance plan that sets new goals and establishes new programs for the school.

Additional Provisions- The bill makes other provisions to improve academic achievement and establish educational responsibilities for students in prekindergarten through grade 12.

Effective Date: July 1, 2007.

Explanation of State Expenditures: *Academic Achievement Assistance (AAA) Program-* The Department

would be able to establish the AAA program within existing levels of resources. The bill does not specify responsibilities, other than providing grade 3-8 & 10 assessments, or expenditures the Department would have to designate in order to maintain the AAA program. The assessments for grades 3, 6 8, and 10 would correspond to the current ISTEP examination provided under current law. Assuming, that the current ISTEP is used for grades 4, 5, and 7, which is currently funded by federal sources, there would be no additional cost to the state to provide assessments to grades 3-8 & 10. If existing K-2 reading diagnostics were able to be used to fulfill the assessments required by the bill for K-2 students, then there would be no additional cost to provide K-2 assessments.

The bill does not specify an additional source of state funding to cover the expenditures of schools to establish the required programs.

Background- The following table lists current state and federal funded appropriations for the K-2 reading diagnostic and ISTEP:

Table A. Current State & Federal Funding of ISTEP Program Components.	
Component	FY 2007 Appropriation
Readiness Testing: K-2 Reading Diagnostic Assessment. (Established under IC 20-20-6)	\$1 M (General Fund)
ISTEP (Including Remediation)	\$36.4 M (General Fund)
ISTEP Grades 4, 5, 7 & 9 tested under No Child Left Behind.	\$8.99 M (Federal)

Explanation of State Revenues:

Explanation of Local Expenditures: *Assessments and Academic Progress Reports-* Schools would have to offer a K-2 diagnostic assessment. Some elementary schools are already using diagnostics such as the K-2 reading diagnostic provided by the Department of Education. If the Department's reading diagnostic were not sufficient, and if every school had to establish a new diagnostic for K-2, the estimated cost to do so in aggregate is \$10.2 M in school year (SY) 2008.

Schools would have to develop progress reports for students' parents. The cost to provide the reports to parents is estimated at about \$4.8 M in school year 2008. School committees and teachers would also receive progress reports. The estimated cost to produce school committee reports is \$1.9 M in school year SY 2008.

Academic Achievement Assistance Program/Academic Achievement Progress (AAP) Plan - There may be additional administration cost to schools to develop AAP plans, particularly, if additional parent/teacher meetings occurred. Schools with students required to participate in the plan would have the option to include in a student's AAP plan additional homework or tutoring. Students in high schools could follow student career plans and include CORE 40, college prep, technology prep, or academic honors diploma course work as an option in a student's AAP plan.

Students that would have to participate include K-2 student that do not demonstrate mastery of school readiness or reading via the K-2 assessments proposed under the bill, or a student in grade 3-8 or 10 that does not achieve a passing score on the ISTEP. Any student passing the ISTEP would have the option to

participate in this program. The expense to provide tutoring in English/Language Arts and Math for those students in grades 3-10 that did not pass ISTEP is indeterminable. The amount of expenditure required would depend on the type of remediation offered (tutoring, homework, or both), the number of students that receive tutoring, and how many hours of tutoring students receive.

Academic Progress Assistance Plan- Schools that are placed in the lowest category (Academic Probation) of academic achievement and contain grades K-2 would have to revise their strategic and continuous school improvement plans to offer pre-kindergarten, optional full-day kindergarten, a supplemental reading and writing program, a 50% increase in minimal instruction time, and 10 additional professional development days. Schools under probation that contain any combination of grades 3-8 would have to revise their strategic plans to include a supplemental reading program. As of August 2006, there were 53 elementary and 21 middle schools on academic probation, that would be affected under this provision of the bill. The estimated cost to implement the academic progress provisions in these schools is \$76.6 M in SY 2008.

The reading program would have to be offered in a school that includes grades K-2. A reading program would also have to be established in schools that contain grades 3-8 or any combination of those grades.

Continuous School Improvement and Achievement Plan- Schools would be able to revise their strategic and continuous school improvement plans to incorporate the above programs during school board meetings. Revision of strategic plans provision should have a minimal impact to school expenditures.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Schools.

Information Sources: DOE DATABASES; *Public Law 221 Corporation and School Category Placements Presented to: Indiana State Board of Education, August 9, 2006; State of Indiana List of Appropriations, July 1, 2005-June 30, 2007.*

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